

But we saw the central truth of a market where bandwidth cost will decline because of market forces and new efficiencies.

Qwest does not live by bandwidth alone.

We began to assemble the pieces of advanced Application Services Provisioning.

It puts us in the sweet spot of Internet commerce: Advanced applications, and the ownership of bandwidth to match it instantly and in unlimited amounts.

The alliance I described with Microsoft added Qwest capability in virtual private networks.

We joined with HP to provide servers and hosting this past May. And data storage two weeks ago.

With SAP we brought in the leader in enterprise resource planning.

Seibel Systems contributed customer relationship management.

Oracle beefs up our business applications capability.

And we've recently created a joint venture with KPMG, called Qwest Cyber dot Solutions, that allows us to devise custom-tailored ASP, application hosting and application management solutions.

That brings me to the latest news about Qwest, our merger with U.S. West.

Many people look at the directions I've been talking about, and they look at U.S. WEST, and they say: Why?

(Ad Lib) ---The U S WEST merger is about

- Growth and services

- Need customer base that reaches from local to multi-national

- Revenues, cash flow

- Customers get benefits of scale, scope and speed. Locally, nationally and worldwide.

- Speed to market

Scale to compete in consolidating industry, which will be seven to eight global players.

U.S. West contributions

40,400-mile network.

The INTERPRISE data networking business, which serves 225,000 Internet access customers.

Leadership in Internet Yellow Pages.

Digital Subscriber Line high-speed Internet access deployed in more than 40 cities, available to nearly six million consumer households

Crosses the last mile.

Completes end-to-end capability that any real competitor is going to have to have.

This takes us several giant steps ahead in a hurry.

It's ironic in a way how enamored we get of all these new technologies, all these new applications, all these new businesses that have sprung up from the fertile soil of bandwidth.

And they are awe-inspiring.

But when we fight our way up the value chain, rung by rung, what do we find at the top?

We find a customer with the same question they've had for centuries.

What have you done for me lately?

A little earlier in this decade, the answer to that question wasn't so difficult.

"We'll do what we did for you a month ago, and the month before that.

We'll do it a little better, we'll do it a little faster, and we might even do it a little cheaper.

But it will still be pretty much what we did before."

And then bang!

The computer met the telephone, and then both met bandwidth.

And the result was convergence: image, data and voice moving in volumes once thought impossible and at speeds that challenge belief.

And now, *what have you done for me lately*, takes on infinite meaning.

Back around the turn of the century, a British merchant named Harry Gordon Selfridge coined an important phrase: "The customer is always right."

On one level, that's still very true.

But today, we have to also say: "The customer doesn't always know."

Nobody does.

It's too new and moving too fast.

So we've hit a unique period in the history of supplier-customer relationships.

It's a time of co-dependent discovery, where service provider and service consumer learn together, with each lesson serving as a platform for the next one.

The class is really just beginning.

There is still much to learn.

And we will surely be amazed.

Thank you.

###

Qwest PowerPoint Presentation
by Afshin Mohebbi
President and Chief Operating Officer
at Hambrecht & Quist
10/28/99

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The Qwest Vision

- To build shareholder value by becoming the market leader for broadband Internet communications and applications services while leveraging the dominant global IP network platform



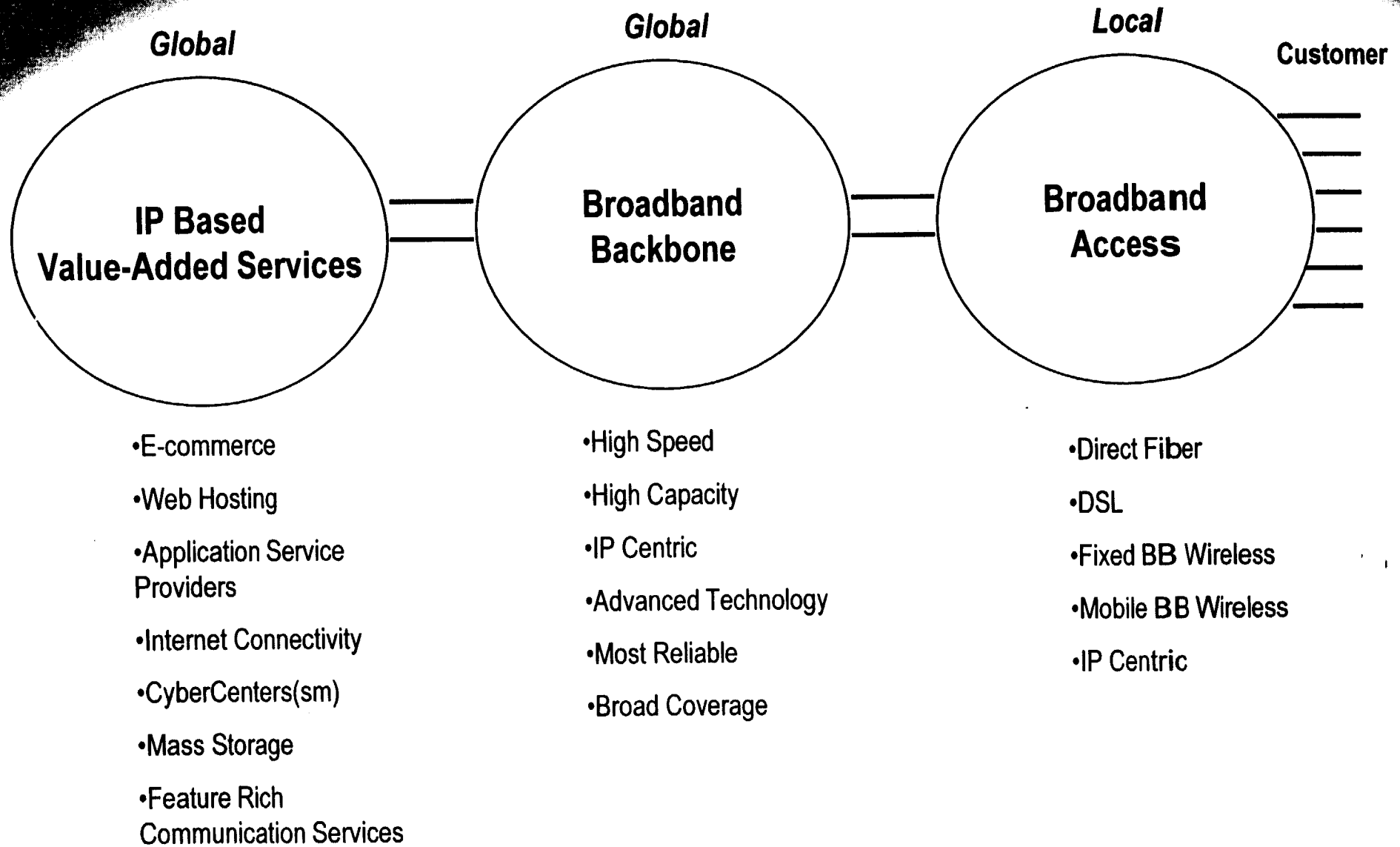
Major Industry Trends

Qwest.

- Internet and E-Commerce enabling technologies
- Broadband service revenues replace narrowband revenues
- Open architecture / operating platforms
- Global scale and scope necessary for low cost, competitive positioning
- Value added services key to customer control
- Speed to market increasingly important
- Intellectual capital increasingly valued resource



Qwest Platform for Next Generation Broadband Communication Connectivity





12 Month Strategic Priorities

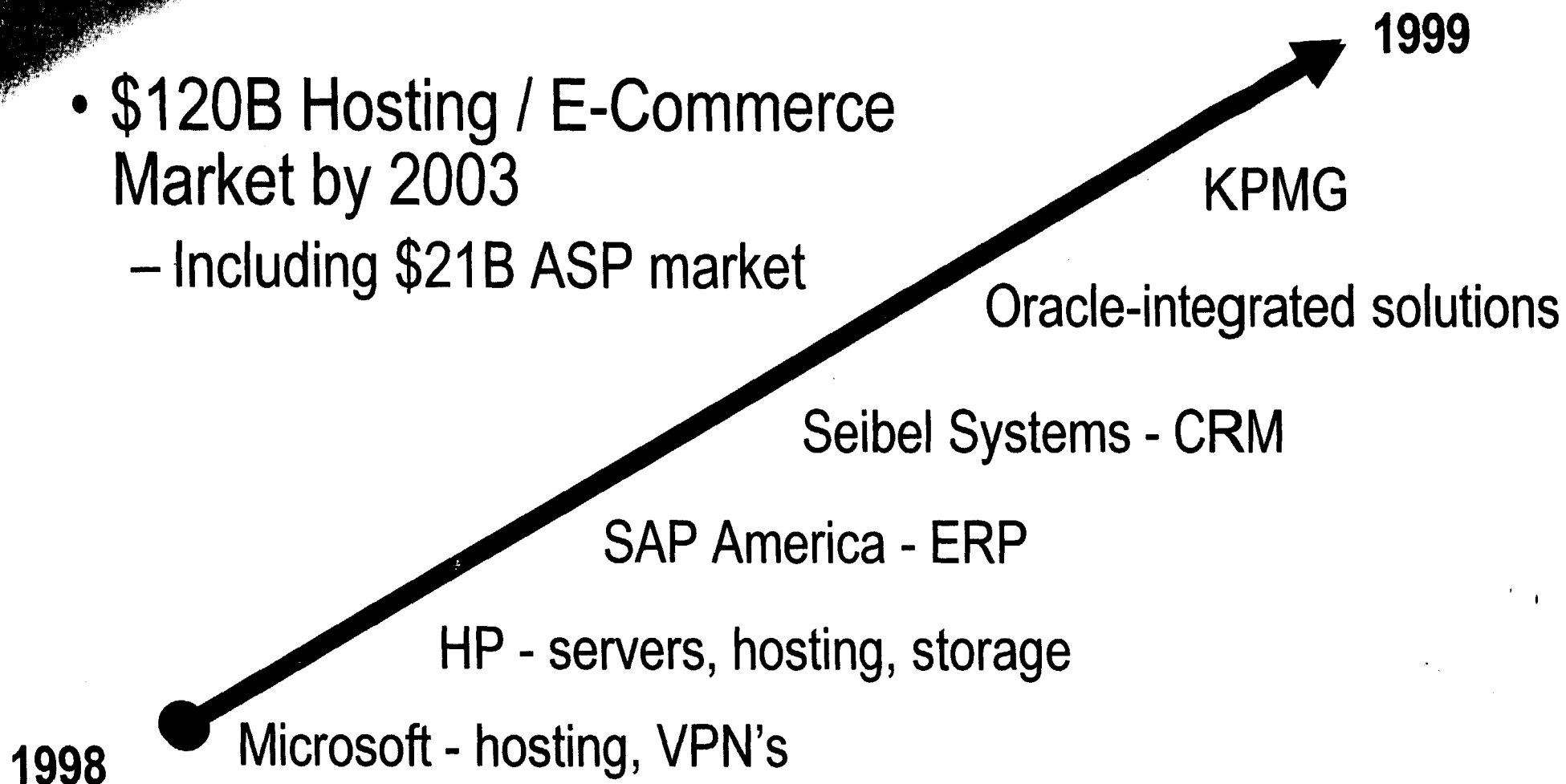
Qwest.

- Extend dominant broadband Internet platform and corresponding services
 - Add to strategic partnerships and alliances
 - Accelerate CyberCenter buildout
- Accelerate local broadband connectivity efforts
- Global Expansion
 - Establish KPNQwest as a European leader
 - Finalize approach in Pacific Rim
- Expand gross margins, reduce SG&A and grow share across all market segments
- Complete US WEST merger ASAP



Alliance Strategy for Market Leadership

- \$120B Hosting / E-Commerce Market by 2003
 - Including \$21B ASP market

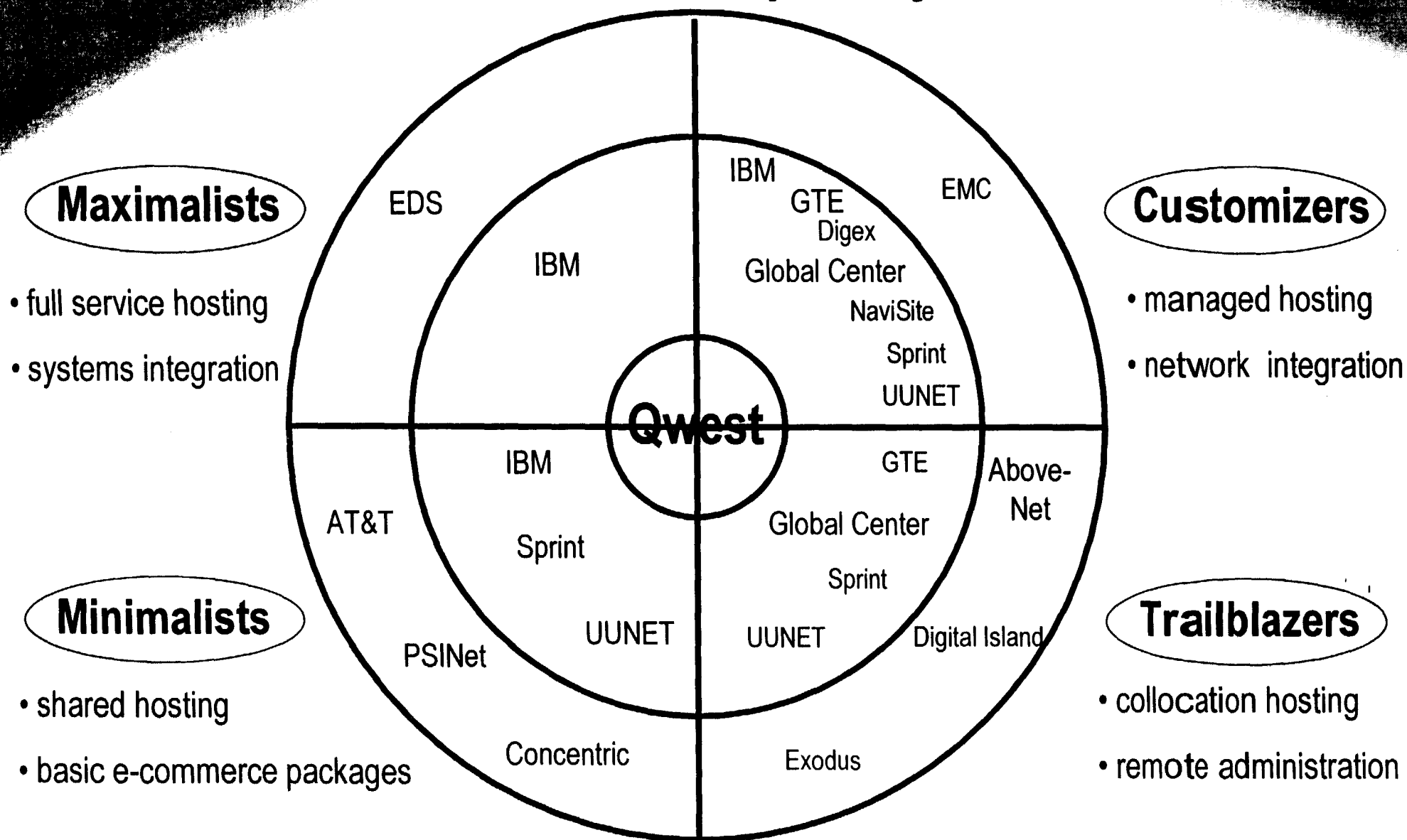




The Web Hosting Sweet Spot

Qwest.

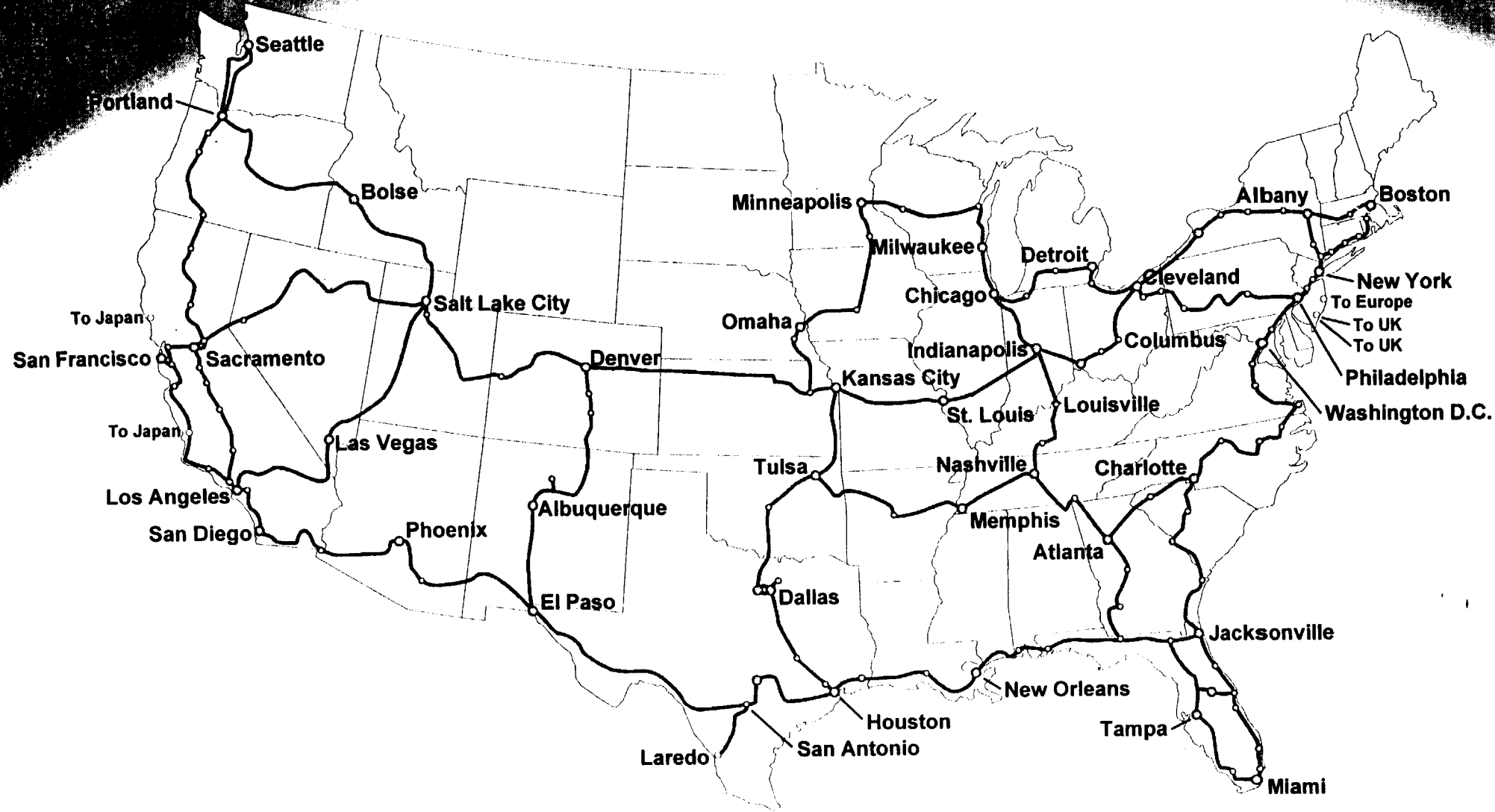
"Qwest should top everyone's list."



Source: Forrester Research, Users' Guide To Hosting, July 1999



U S Backbone Network

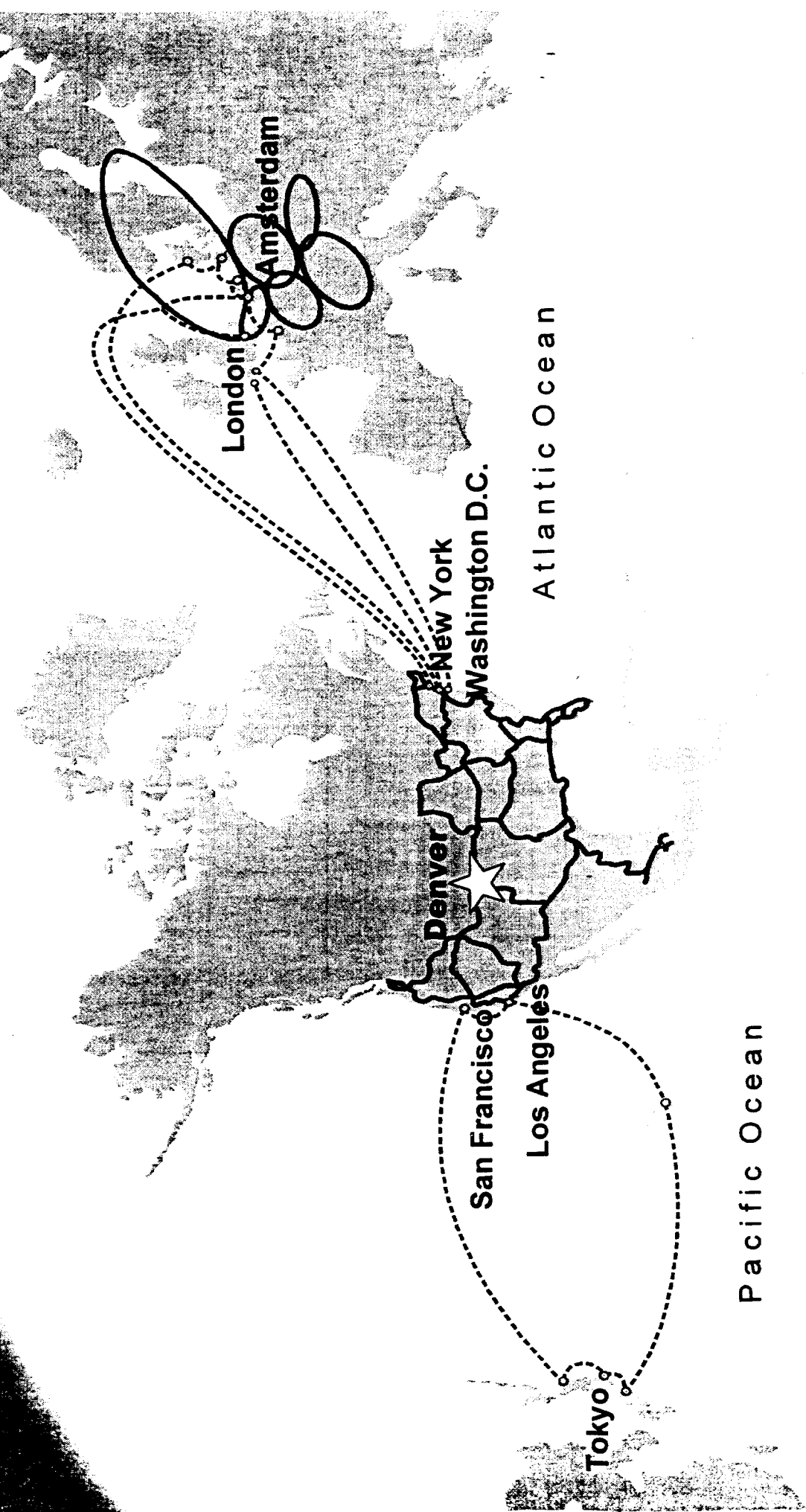




Qwest.

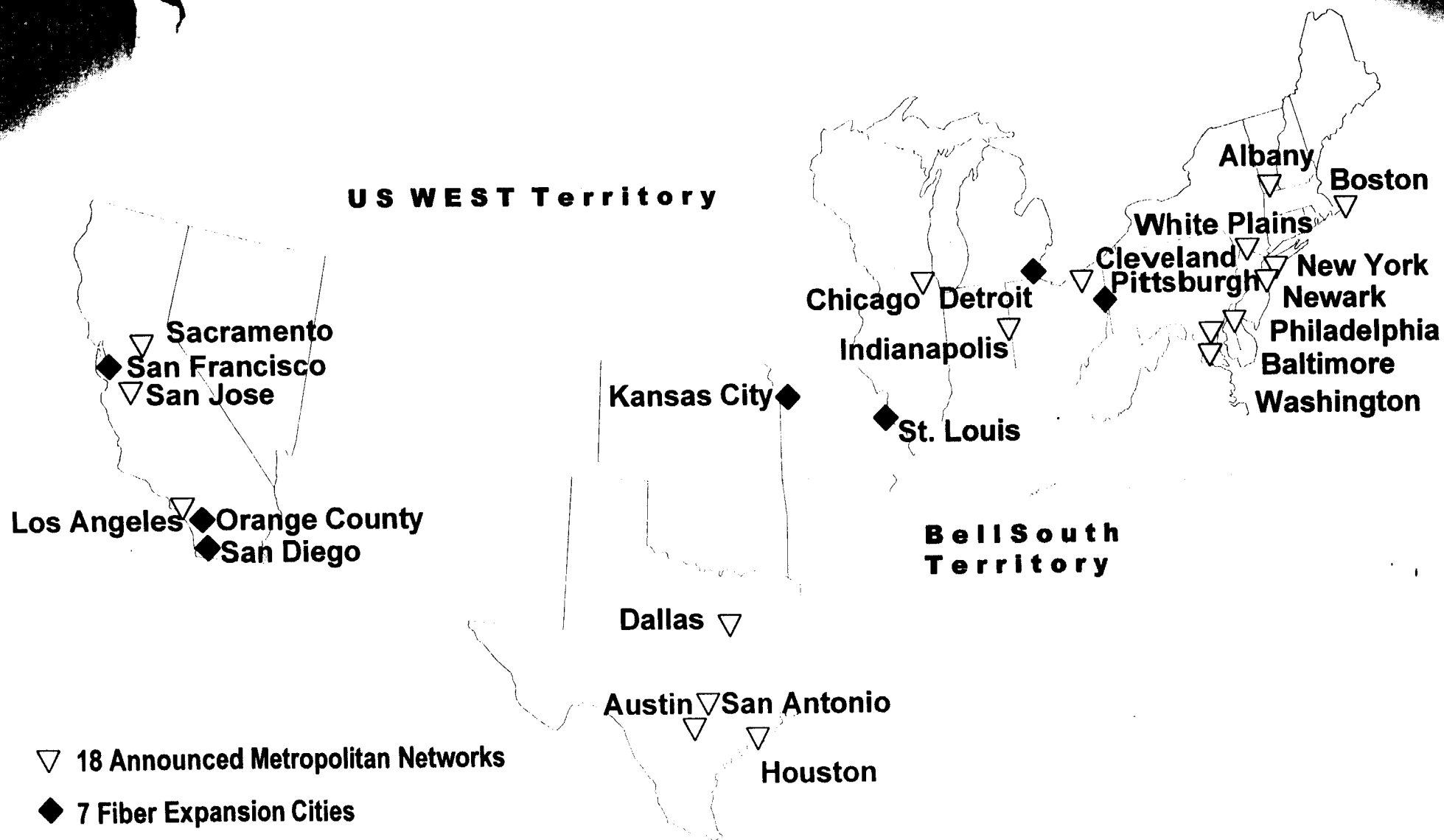
**Worldwide Multimedia
Network**

3 Million Fiber Miles Worldwide





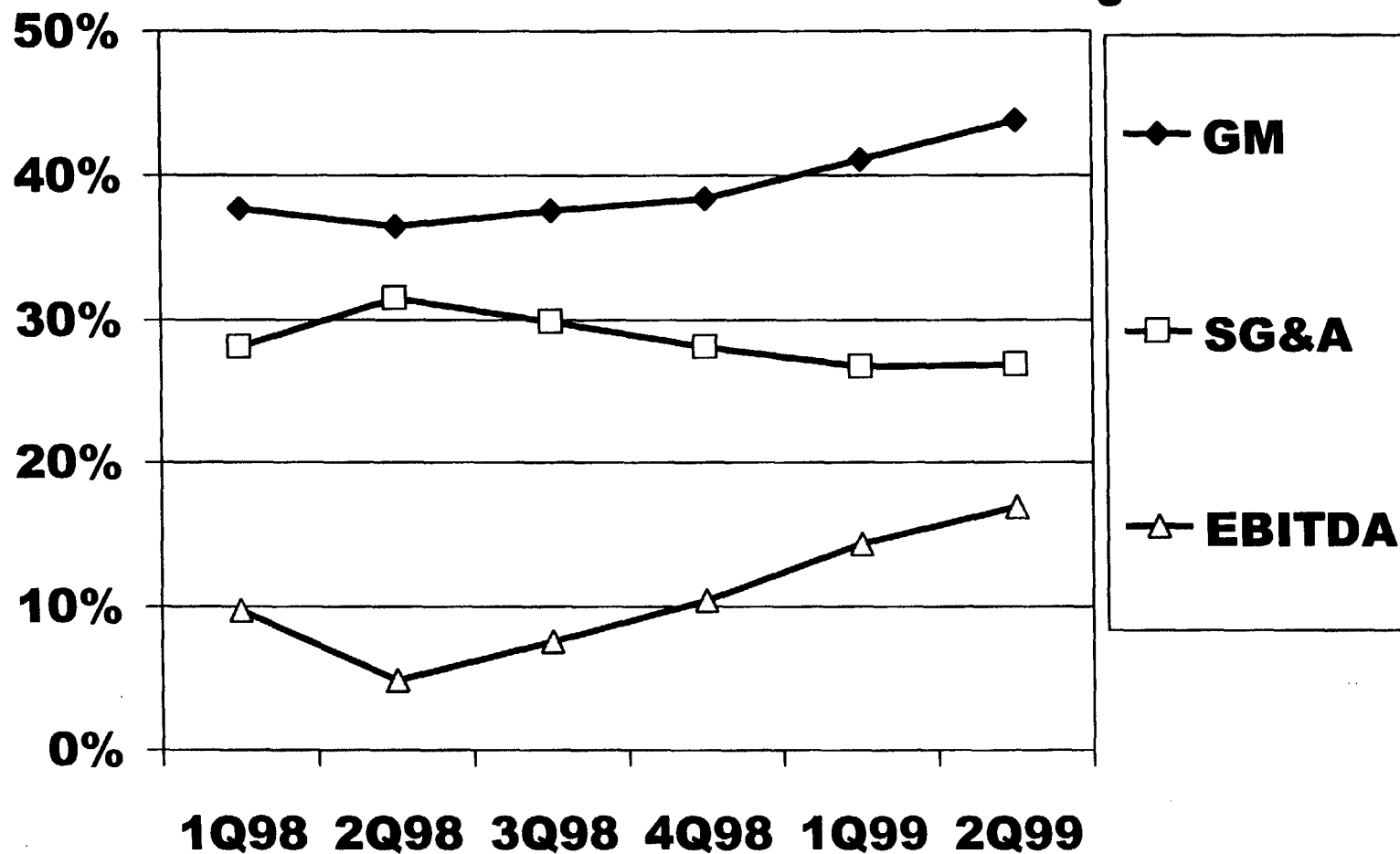
Local Broadband Connectivity Expansion to 25 Markets





Improving Communications Margins with Mix and Scale

Pro Forma Communications Services Margins



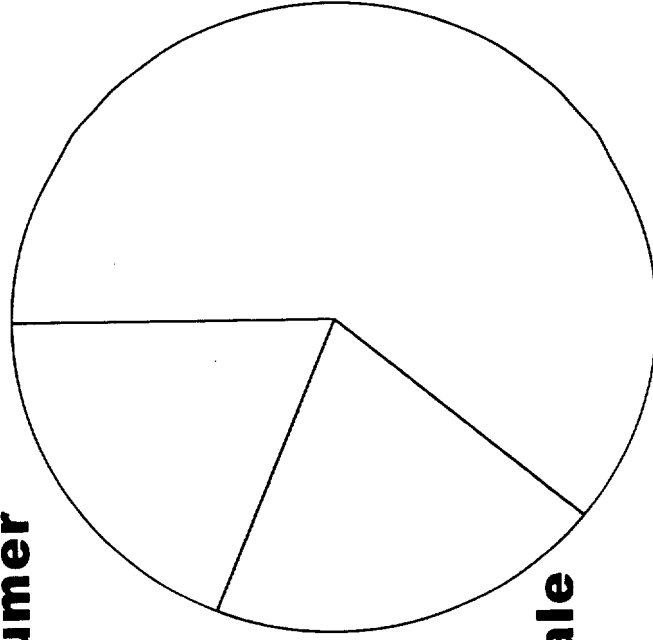


Qwest

Growing Share in All Segments Mix Shifting to Business

2001E Revenue Mix

Consumer

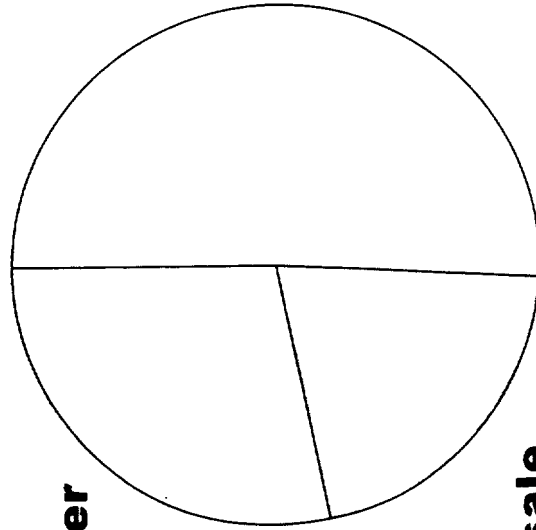


Business

Wholesale

1998 Revenue Mix

Consumer



Business

Wholesale

Qwest **USWEST**

**The Large Cap Growth
Communications/Internet Benchmark
for the New Millennium**

GROWTH

**Worldwide broadband
end-to-end infrastructure**

Expanded products and services

Customers

Distribution

Operating systems

People and processes

Integration



Qwest

Creation of a Powerful New Company

Revenue (1999E)

EBITDA (1999E)

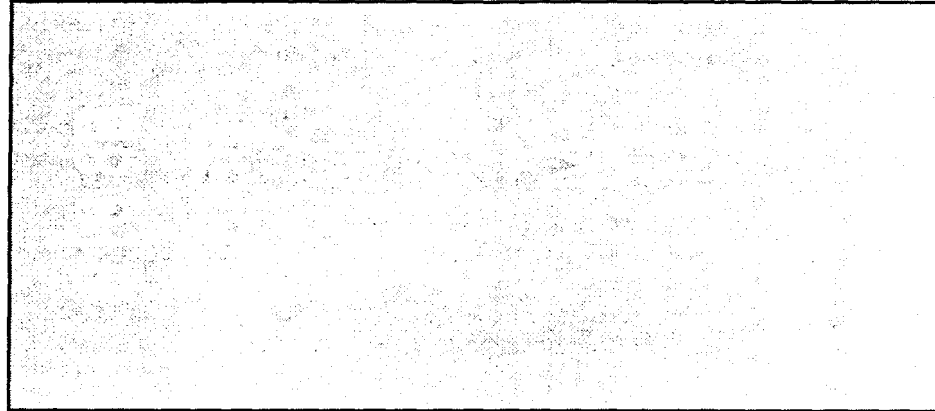
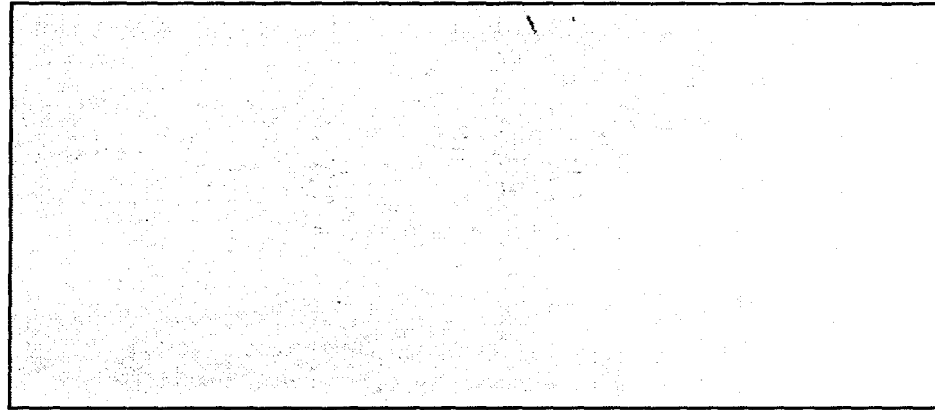
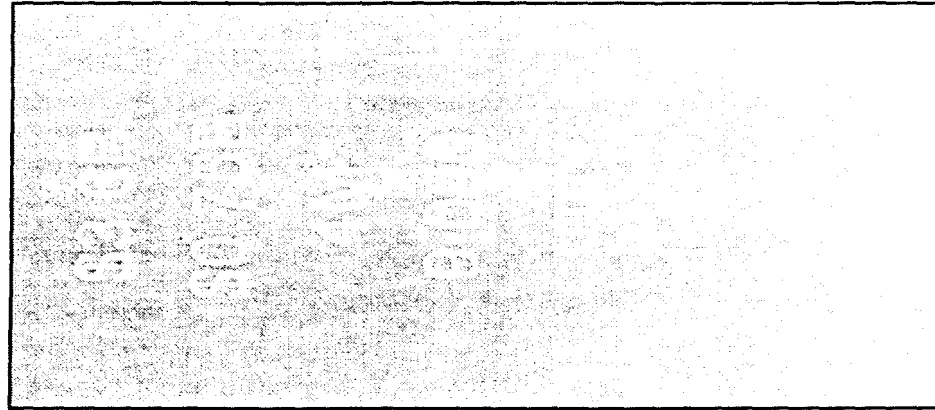
Customers

Employees

Access Lines

Fiber Miles

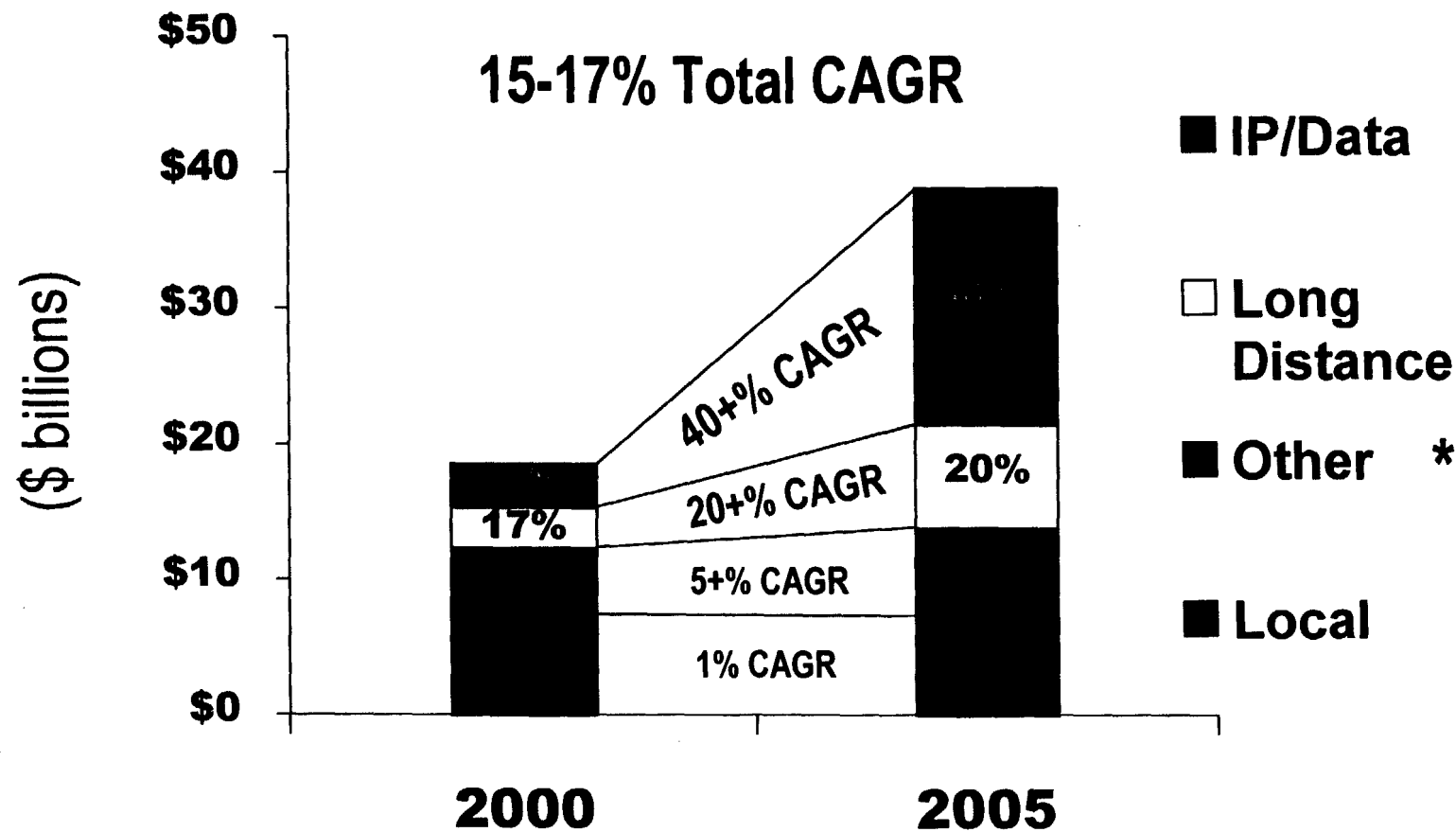
Equity Value
(8/17/99)





Qwest.

Combined Revenue Grows to \$38.40B in 2005



* Directory, wireless, access, wholesale and construction.



12 Month Strategic Priorities

Qwest.

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This presentation contains forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents filed by Qwest and U S WEST with the SEC, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements.

These materials include analysts' estimates and other information prepared by third parties for which the companies assume no responsibility. The companies undertake no obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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